

Remarks

Claims 1, 3-5, and 7-8 are pending. Claims 2 and 6 are canceled. Claims 4 and 8 are amended. No new matter is entered.

35 U.S.C. § 112, ¶2

Claims 2-4 and 6-8 are rejected under 35 U.S.C. § 112, ¶2 as being indefinite. Although applicants continue to believe that the elements specifying a Section 529 plan are definite, claims 2 and 6 are canceled, and references in claims 4 and 8 to Section 529 have been removed to advance prosecution of the present application. Withdrawal of the § 112 rejection of claims 3-4 and 5-8 is respectfully requested.

35 U.S.C. § 103(a)

Claims 1-8 stand rejected under 35 U.S.C. §103(a) as obvious in view of Yinbal (U.S. Patent No. 6,424,952) over Crapo (U.S. Patent No. 5,987,433). This rejection is respectfully traversed.

Embodiments of the present invention are directed to methods for analyzing education savings plans by considering the tax implication of these plans. (Abstract). Some of the advantages provided by embodiments of the invention include generating a comparative analysis of a plurality of educational savings plans and taxation implications for the educational savings plans. As explained in the application background embodiments of the invention improve upon conventional “financial calculation programs [that] do not consider the tax implications of various funding alternatives for the contributor and the child. These considerations are significant factors in determining which investment plan or plans are best suited to the needs and circumstances of specific investors.” (Application, p. 4, lines 20-22). Embodiments of the invention are designed to compare a plurality of education savings plans and respective taxation implications which improves over existing programs which have “savings charts and graphs [that] do not compare one college investment plan with another.” (Application, p. 5, line 7).

Yinbal describes a system and method for financing expected future educational expenses. The Yinbal system uses current educational expenses to derive future expected expenses. Yinbal also uses assumptions of expected investment yields to derive a present investment amount to provide future education expenses. Insurance policies are used to cover any investment shortfalls to guarantee payment for future education expenses. (Yinbal, Abstract). Yinbal only discusses calculations of future educational expenses and then providing

a calculated resulting payment amount to provide that future education expense. The calculated payment amount is based on assumptions for investment yields. The calculated result is delivered to a customer. There no discussion in Yinbal of any comparative analysis of a plurality of educational savings plans or taxation implications for the educational savings plans. Yinbal only discusses estimating future education expenses and providing a single payment amount without generating any comparative analysis of a plurality of educational savings plans. (See, e.g., Yinbal, col. 9, line 35 – col. 10, line 23). Yinbal only calculates a single payment amount for an individual to save for future education expenses.

Crapo is directed to a method and system for time horizon based financial models for investments to achieve financial objectives. (Crapo, Abstract). The Crapo system uses certain facts (individual's information, financial objectives, assets, etc.) and assumptions (inflation rates, individual tax rates, estimated salary increases, IRA contributions, taxed savings, etc.) to provide a single savings plan which will allow financial objectives to be met. (Crapo, col. 3, lines 12-35, col. 5, lines 28-55). Crapo describes taxation considerations, but only in the context of taxed and tax-deferred savings that are part of the single savings plan. Crapo states that “[w]hen determining a minimum savings rate to meet goals, the present invention can either treat pre-retirement and post-retirement savings needs separately or can attempt to identify a pre-tax annual savings amount which... will provide sufficient funds to meet the financial objectives.” (Crapo, col. 10, line 64-col. 11, line 3). Thus, the tax considerations in Crapo are just for determining the amount of money needed to be saved over time to achieve financial goals. Crapo mentions that “[d]etails on annual amounts which must be saved to taxed and as tax-deferred accounts, amounts withdrawn from accounts of each type, year-end balances for each type of account, and taxes paid can be provided by the model.” This reference to taxed/tax-deferred accounts only relates to Crapo's single savings amount and does not relate to or in any way discuss a comparative analysis of a plurality of savings plans. The amounts for each of taxed and tax-deferred accounts are simply part of the same calculation of amounts to be saved. There is simply no discussion in Crapo of comparing different savings plans, nor does Crapo discuss generating a comparative analysis of a plurality of savings plans.

Claim 1 recites: “c. generating a comparative analysis of a plurality of educational savings plans by applying each of the retrieved cost parameter sets of step (b) to each of the plurality of educational savings plan parameters; the comparative analysis taking into account

one or more taxation implications for at least one of the educational savings plans; and d. outputting a report of the comparative analysis.” Thus, claim 1 specifically requires generating a comparative analysis of a plurality of educational savings plans. Claim 1 also requires that the comparative analysis take into account one or more taxation implications for at least one of the educational savings plans.


As mentioned above, Yinbal only discusses estimating future education expenses and providing a single payment amount without generating any comparative analysis of a plurality of educational savings plans. Crapo only discusses calculating an amount of money needed to be saved over time. Neither of these references, separately or in combination, teach steps c and d of claim 1. Even if it were proper to combine Yinbal and Crapo, which is not conceded, the combination of these references also would not teach steps c and d of claim 1. As discussed above, Yinbal and Crapo do not discuss any comparative analysis of a plurality of educational (or other) savings plans.

Thus, for at least the above reasons, claim 1 is allowable over the cited references. Claim 5 includes elements in common with claim 1 and is also allowable over the cited references for the same reasons described with reference to claim 1. Claims 3-4 and 7-8 which depend from claims 1 and 5 are also allowable for at least the same reasons.

For the above reasons, reconsideration and withdrawal of the rejections of claims 1, 3-5, and 7-8 is respectfully requested. Please charge the fees due for this response to Deposit Account No. 50-0310.

Respectfully submitted,

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